
OLR Bill Analysis

SB 849

AN ACT CONCERNING LOCAL BRIDGE PROGRAM REFORM AND ESTABLISHING A LOCAL TRANSPORTATION CAPITAL PROGRAM.

SUMMARY:

The bill increases the amount of state grant money available to municipalities under the local bridge program, exempts the grants from certain contracting and environmental laws, and eliminates the program's loan component.

It requires the Department of Transportation (DOT) commissioner to create a local transportation capital program in which DOT may request the authorization of special tax obligation bonds to provide funding to municipalities or local planning agencies for state or municipal road and facility improvements (1) eligible for federal funding and (2) for which a specific amount of federal funding is available.

It also makes conforming changes.

EFFECTIVE DATE: July 1, 2013, except the local transportation capital program is effective November 1, 2013.

LOCAL BRIDGE PROGRAM

Grant Amounts

The local bridge program provides grants and loans to municipalities for the removal, replacement, reconstruction, rehabilitation, or improvement of local bridges.

The bill eliminates the loan program, and increases the amount of grant funding available to between 15% and 50% of a project's necessary and reasonable costs. Under current law, a municipality may receive a grant for between 10% and 33% of these costs. The grants are

awarded based on a municipality's ranking according to its adjusted equalized net grand list per capita (see BACKGROUND).

Exemptions from Anti-Discrimination and Environmental Laws

The bill authorizes the commissioner to prescribe the grant's terms and conditions. It exempts grants from affirmative action, minority hiring, competitive bidding, contracting, and anti-discrimination laws. It also exempts them from a law requiring the energy and environmental commissioner to approve or exempt the project from state floodplain management requirements.

Disregarding Ranking in Certain Situations

Under current law, the commissioner may award grants without regard to a municipality's ranking if a public emergency requires a bridge's immediate removal, replacement, reconstruction, rehabilitation, or improvement. The bill eliminates the need for immediate action, instead allowing the commissioner to do this if, in his opinion, an emergency makes a bridge's removal, replacement, reconstruction, rehabilitation, or improvement more urgent than other eligible bridge projects with a higher ranking.

Application Deadlines Changed; Hearing Eliminated

Under the bill, applicants must file grant applications with the commissioner by May first, rather than March first, of the fiscal year immediately preceding the year the grant is awarded. As under current law, the commissioner may extend the application deadline for good cause.

As under current law, a municipality may authorize the issuance and sale of supplemental project obligations to finance its portion of bridge project costs. Current law requires a municipal legislative body to hold at least one public hearing on an eligible bridge project, including the authorization of supplemental project obligations, before voting on whether to approve the project and authorize financing. The bill eliminates the hearing requirement.

Other Changes

By law, municipalities that jointly own or maintain a bridge eligible for a grant may agree that, among other things, one municipality is responsible for (1) the project, (2) maintaining the bridge, and (3) applying for the grant. The bill also allows these municipalities to agree that one municipality is responsible for apportioning the project's costs. As under current law, the commissioner may deem the municipality that has agreed to undertake the project to be the only municipality eligible for that project.

By law, the commissioner may make an advance grant to a municipality to fund the engineering portion of an eligible bridge project. The grant must equal the municipality's grant percentage multiplied by the engineering costs. Under current law, the engineering costs cannot exceed 15% of the project's construction cost. The bill eliminates this cap. As under current law, the amount of this advance is subtracted from the total grant.

By law, the state deposits payments from municipalities in the local bridge revolving fund. The bill requires the state to deposit municipal repayments of grants and loans. It is unclear why a municipality would repay a grant.

The bill also makes conforming changes.

LOCAL TRANSPORTATION CAPITAL PROGRAM

The bill requires the DOT commissioner to establish a local transportation capital program to provide state funding, instead of specific available federal funding, to municipalities and local planning agencies to improve certain state or local roads or facilities. The roads or facilities must be eligible for funding under the federal Surface Transportation-Urban Program (STP-Urban).

The bill allows the commissioner to request authorization of special tax obligation bonds to fund the program. The bonds must mature no later than 20 years after the state bond commissioner allocates them, and must be used to fund improvements that have a service life of approximately 20 years.

The bill exempts the program, when used to fund locally owned roads or facilities, from state floodplain management laws.

DOT must accept applications from eligible recipients through the appropriate regional planning agency and provide funding through guidelines it develops.

BACKGROUND

STP-Urban Program

This federal program provides funds for a wide range of projects in urban areas, including road widening and reconstruction and transit projects.

Adjusted Equalized Net Grand List Per Capita

This ranking method weights municipalities' relative wealth for the purposes of developing a sliding scale to determine the size of state grants.

COMMITTEE ACTION

Transportation Committee

Joint Favorable

Yea 34 Nay 0 (03/15/2013)